

Building an Opportunity Economy

Executive Summary

As Mayor, my primary economic goal is to create jobs for San Franciscans by making San Francisco a welcoming place for entrepreneurs, small business people, national and international companies. My plan, *Building an Opportunity Economy*, leverages San Francisco's unique economic strengths—talent, ideas and location—and aims to cut unemployment and generate 25,000 new jobs for San Franciscans in my first four years as Mayor.

Developed in consultation with small business and corporate leaders, entrepreneurs and economists, *Building an Opportunity Economy* outlines the specific economic recovery and job creation priorities of a Leal administration:

- <u>Cut unemployment and create 25,000 new jobs</u> for San Franciscans before the end of the first Leal administration.
- <u>Make it easier to "do business" with the City</u> by creating a "single portal" within City Government that offers true customer service and "one-stop shopping" for businesses large and small who want to set up, get permits, create Business Improvement Districts (BIDs) and navigate city requirements and regulations.
- <u>Invest in Our People, Our Ideas</u> Create a "San Francisco Opportunity Fund" a public private enterprise fund that offers low-interest micro-enterprise loans, grants for neighborhood improvement projects and business incubators. We will also work more closely with lenders and private investors to expand access to capital for local small and mid-sized businesses and startups.
- <u>Launch a concerted, coordinated campaign to market and promote</u> San Francisco's unique economic strengths to attract and retain businesses at the regional, state, national and international levels.
- <u>More aggressively market</u> San Francisco's thriving arts and cultural communities and institutions to attract compatible businesses.
- <u>Establish a San Francisco Sports Authority</u> work with the Convention & Visitors' Bureau, our professional sports teams, colleges and the hospitality industry to create a public-private partnership that will leverage San Francisco's outstanding athletic conditions and facilities to attract more privately funded national and international sports events and fans.

- <u>Revamp the Mayor's Office of Economic Development</u> to support local and neighborhood small business, leverage state, federal and other grant monies, coordinate workforce development programs and lead more aggressive marketing & promotion efforts to business.
- <u>Expedite and improve local hiring for capital improvement projects</u> like the Third Street Light Rail/Central Subway extension, Bloomingdale's project and others that bring a high level of public good.
- <u>Publicize and streamline the certification and monitoring processes</u> to make it easier for Minority/Women/Local Business Enterprises to do business with the City.
- <u>Business Tax Incentives & Reform</u> expand enterprise zones in economically disadvantaged areas, create Art & Cultural Zones to foster the arts; study options and develop a specific plan for moving the City away from a payroll tax and toward a tax that does not provide a disincentive to hire employees.
- <u>Workforce development and job training</u> -- Link an educated workforce with job opportunities by focusing job training on industries with job growth and using City College and nonprofit agencies to coordinate training.
- <u>Develop a long-term strategic economic plan for San Francisco</u> to smooth the "boom and bust" cycles of the local economy; convene stakeholders, neighborhood and business leaders to envision and build consensus around San Francisco's long-term economic development priorities.

INTRODUCTION

With a 7% unemployment rate, turning San Francisco's economy around must be a top priority. San Franciscans need jobs, and our essential services depend on a growing tax base.

As Mayor, my primary economic goal is to create jobs for San Franciscans by making San Francisco a welcoming place for entrepreneurs, small business people and responsible national and international companies.

For the past decade, we have not included sustainable growth in our city's economic development policy, and now we are paying the price. The city has lost more than 60,000 jobs, nearly all the jobs created during the dot-com boom.ⁱ San Francisco is home to a population whose creativity, intelligence, diversity and entrepreneurial spirit are matched by few cities in the nation or the world. However, too many San Franciscans are struggling economically.

In a Leal Administration, we will invest in initiatives that accentuate San Francisco's advantages—our talent, our ideas and our location—a location that includes access to universities, technological innovation and the nations of the Pacific Rim. Investing in our strengths and directly confronting the challenges that face us anchor my vision of a stronger, more resilient economy that provides opportunity for all of us.

At the end of my first four years as Mayor, the success of my economic initiatives will be measured by these standards: Did we put San Franciscans back to work? Did our small business community grow and flourish? Did our tax base rise with our economic growth?

My *Building an Opportunity Economy* plan will cut unemployment and generate 25,000 new jobs for San Franciscans before the end of my term as Mayor. These are ambitious but achievable targets. Our economic recovery will be a long road. There is no quick fix or magic formula. It will be a "brick-by-brick" process that grows our economy job by job, business by business.

Qualified to Lead an Economic Recovery

As a native San Franciscan, a parent, a former Supervisor, a former entrepreneur and business executive, and as the current City Treasurer, my experience and skills will help lead the City to better times. I have managed the Treasurer's Office since 1998 and achieved a 90 percent customer satisfaction rate. As Treasurer I have more than doubled our delinquent tax collection, from \$24 million to \$58 million. Our rate of return on the City's \$3 billion portfolio has exceeded every other California county and the State of California, and all our investments are put through a socially responsible filter. I am the candidate best qualified to engineer a turnaround of the San Francisco economy.

Make it Easier for Business to Operate in San Francisco

We must also make it easy to do business here. City government needs to be reformed to be more effective and accountable. And this means improving the coordination among the various agencies and improving our customer service. I strongly support Proposition D, which will strengthen the Small Business Commission. City rules and processes must be fair, and everyone have an equal opportunity to do business here. Without improving these aspects of local government we cannot hope to retain existing jobs or the talented and creative people who start new businesses.

Invest in People and Their Ideas

In contrast to other administrations and candidate proposals that focus on large capital development projects, my administration will focus on neighborhoods, investing in our talented workforce and nurturing our small businesses to help San Franciscans get jobs.

Under the current administration, the Mayor's Office of Economic Development (MOED) has focused on major infrastructure projects. While capital projects will continue to play an important role in the development of the City, my administration will reposition MOED to focus on the following ways to grow jobs:

- A. Retaining Business
- B. Investing in New Business
- C. Marketing to Growing Companies
- D. Workforce Training and Education
- E. Capital Projects

City government must to link growing businesses to capital. We must market our diverse economy that encompasses finance to arts to bioscience. And we must expand our trade relationships with the Pacific Rim.

I. RETAINING BUSINESS BY MAKING IT EASIER

Our existing businesses, particularly our small businesses, are the primary source of jobs for San Franciscans. While this seems obvious, City leaders often overlook the importance of sustaining existing businesses when looking for "the next big thing." San Francisco is home to 108,373 small businesses, which provide 52% of our private sector employment.ⁱⁱ Moreover, locally grown businesses contribute to the economic and social diversity that makes San Francisco unique. Small businesses and the arts are crucial to our economy, and my administration will help them flourish. We will make existing businesses a priority by making it easier to do business here and by creating programs to help these businesses remain successful.

A. Make the City Part of the Solution – A Single "Portal" for Business

The City should provide a "single portal" for business constituents. Despite the efforts of the Mayor's Office of Economic Development and the Small Business Commission to provide a clear roadmap for new business owners, the City's various agencies responsible for issuing

permits and licenses often work at odds with one another. Business customers receive conflicting information from departments and then must devote unnecessary time and money to solving regulatory problems. A complicated bureaucracy involving permits and business license fees can present substantial and sometimes insurmountable barriers for small business owners. Businesses must be certain that planning and permitting processes are fair and transparent. My administration will make it easier to navigate the City's regulatory process. As Mayor, I will appoint qualified, professional department heads and work with them to bring consistent and fair application of codes and regulations. We must end the perception of unfair dealing. We will also expand departmental hours to include evening and weekend hours for some functions.

City efforts to assist business development currently are divided across several agencies that have overlapping responsibilities and missions, and the City recently introduced two programs to assist new businesses. <u>www.sfbizinfo.org</u> is designed to make city services easily accessible to prospective local businesses. Trained staff members in the Treasurer's Office direct people to the City department appropriate to the needs of the specific business, and designated staff members in every City department handle referrals. The City also launched SF Prospector, a web-based search tool and comprehensive demographic data center for those trying to locate a place to do business. It is essential that we let businesses know about these services.

Small investments in neighborhood improvements can create large benefits for local business. For example, many local businesses can benefit from façade restoration and improved signage. Through interest free loans and public-private partnerships, merchants can complete capital improvement projects that enhance the quality of local neighborhoods. Business Improvement Districts (BID) are another way for merchants to improve commercial areas. My administration will provide technical and financial assistance to area merchants who want to establish BIDs. In addition, the Department of Public Works will work with the Mayor's Offices of Economic and Community Development to identify neighborhoods in need of basic repair and beautification services, with a focus placed on neighborhood with merchant groups willing to contribute their own labor to the projects.

B. Make Low-Cost Financial and Legal Services Available

When small businesses run into financial or regulatory trouble, they often lack the extra cash to pay for expensive financial and legal advice. The Mayor's Office of Economic Development will have a person appointed specifically to ensure responsiveness of both City departments and SF Biz Info and SF Prospector, the new web based tools—to be a problem solver. This liaison will coordinate and direct requests for financial, legal or business assistance services to existing programs. Further, he or she can resolve any questions or conflicts about planning and permit regulations; facilitate access to loan programs and business assistance programs; and oversee marketing and use of low interest facade improvement loans to targeted communities.

Through the Small Business Development Center, San Francisco has formed groups of professionals willing to donate time and expertise to help local businesses with these issues. The liaison will use these teams to provide training seminars and other education opportunities to create a business-failure prevention program. Training on City contracts, for example, would

help open up and demystify the process for minority and women owned businesses. Outreach through the Small Business Commission will increase awareness of the program.

C. Work to Retain Corporate Headquarters

San Francisco is home to seven Fortune 500 companies, and we cannot afford to lose any more. The Mayor needs to meet regularly with major employers and market aggressively to companies that are a good fit for our resources. Too often the City learns that firms are unhappy when we read about their impending departures in the Business Times or the Chronicle.

D. Help Small & Minority/Women/Locally Owned Businesses Contract with the City

We help some businesses work with the City through our Minority/Women/Local Business Enterprise certification process, but this program should be improved. Of San Francisco's 108,373 small businesses, only 963 are certified to submit discounted bids on City projects.ⁱⁱⁱ To expand our pool of certified businesses, I will ensure that this program is publicized through the Mayor's Office of Economic Development, the Small Business Commission, the Chambers of Commerce and nonprofit agencies that provide small business development assistance. Further, I will work with the Human Rights Commission to streamline the certification process so that M/W/LBE small businesses can become eligible more promptly and easily.

E. Measure Our Results to Ensure Local Hiring & Contracting

The Mayor's Office of Economic Development should monitor how local, state and federal economic development dollars are being spent to assist local business and job seekers. For example, local hiring requirements on our large capital projects are poorly monitored and enforced, and public dollars do little to bring local residents into the workforce. In an era of constrained fiscal resources, only those organizations achieving real results in terms of business and jobs created should continue to receive funding. Through follow-up communication and performance review systems, we will make sure that our investment dollars are doing the most good for the most number of residents and businesses.

II. INVEST IN OUR PEOPLE, OUR IDEAS -- INVESTING IN NEW BUSINESS

Starting a business in San Francisco should be easy. As described above, the City needs one office where people starting anything from a sandwich shop to a bioscience lab can get information and assistance.

As Mayor, I will work with the Small Business Commission, lenders and private capital investors to create an innovative "San Francisco Opportunity Fund." The Opportunity Fund will be a public private enterprise fund—seeded initially with City dollars to leverage additional private funds—that offers low-interest micro-enterprise loans, grants for neighborhood improvement projects and funding for business incubators.

A. Incubators for Business, Science and Arts Organizations

The City should provide for future innovation by attracting entrepreneurs to San Francisco. As Mayor, I will work to develop clusters of like businesses and business incubators. Design, advertising, biomedicine, travel, banking and finance all can benefit from doing business in proximity to similar firms.

Business incubators effectively enable entrepreneurs to start and grow successful companies by providing the expertise, networks and tools business owners need to succeed. Incubators can support participating companies through low-cost office, lab, or warehouse space; high-speed Internet connections; reception and voicemail services; subsidized employee benefits, and access to meeting and conference rooms. Incubators can also assist with the planning and execution of business plans by offering consultation on financial planning, marketing strategy and loan acquisition; facilitating networking and collaborative opportunities between entrepreneurs, local business, and community leaders; and providing group forums, speakers, and training courses on a variety of business topics.

Incubators have shown demonstrated success in developing financially viable businesses with a long-term survival rate. This in turn creates new jobs and effectively increases the City's tax base. My administration will continue to support nonprofit organizations such as the Renaissance Entrepreneurship Center, Pacific Community Ventures and Women's Initiative for Self Employment, which encourage entrepreneurship in San Francisco's socially and economically diverse population. We will also encourage private, for-profit incubation programs aimed at facilitating the expansion of growth industries, such as bioscience, within San Francisco.

B. Expedited Lending

I will use the power of the Mayor's Office to connect successful small businesses that are ready to grow but do not have access to capital with investors looking for a good return. Entrepreneurial opportunities should be accessible to all San Franciscans. My administration will expand micro- and bridge loans to local entrepreneurs, particularly minority and women owned businesses. We can use the City's economic development agencies more effectively as liaisons and advocates with local lending institutions and also to assist in directing capital to new businesses in economically depressed sections of the city. We will build on innovative efforts by the Hispanic Community Foundation and other economic development organizations to foster private investment in pools of small businesses ready to grow. This innovative strategy for business development gives small and mid-sized businesses access to much-needed additional capital and spreads the risk and reward for outside investors across many companies.

My administration will also work to prevent financial institutions from making abusive loans that include excessive and/or disguised fees and inflated rates. These predatory loans are often targeted towards minority and low- to middle-income citizens and can unnecessarily drain the finances of small businesses, hampering their ability to succeed. I will work to safeguard small business from predatory lenders through education of the small business community.

Providing Space for New Ventures

South San Francisco and other Bay Area communities have an enormous advantage in their existing clusters of bioscience companies. In this industry San Francisco is neither the preferred address nor the low-cost location. New and growing bioscience companies cannot move to San Francisco until there is high quality, affordable lab space. Due to a shift in corporate focus, Catellus Corporation, the owner of the land around UCSF's new life science campus at Mission Bay, will not start the process of building lab space without a company's committing to lease the space. As a possible option, San Francisco could buy land from the landowners and offer reduced-rate ground leases and purchase options to developers willing to partner in the construction and leasing of the space. The cost of the land purchase can be offset through the sale of some of the City's existing excess property, and the money will eventually be recouped once the developer exercises the land purchase option. This initial building push should pave the way for the development of more lab space as the "clustering" effect takes shape. The cost of building will be more than repaid over time by the influx of companies.

III. MARKET TO GROWING AND MID-SIZED COMPANIES

The City has to counter the message that San Francisco is a difficult place in which to do business. The Mayor should take the lead in communicating that San Francisco is a city of opportunity for growing businesses, new businesses and responsible corporations, but we must work together.

A. Enhance Marketing Efforts that Promote the City's Strengths – Train a San Francisco "Sales Force" for Business

Our next Mayor must personally deliver the message to every company that is considering relocating to San Francisco that our city is open for business and will work hard to create an environment that breeds success. We need to market this City as a better product, showing that we are home to a talented, multicultural workforce not available elsewhere.

San Francisco must pay special attention to marketing San Francisco to companies throughout the US and to trading partners in the Pacific Rim. Our diverse workforce is a natural fit for businesses from Asia and Latin America in that we have an educated population with extensive language skills. In addition, San Francisco is close to world-class universities and technology centers. Finally, we are a renowned tourist destination, with highly developed service industries, for both domestic and international travelers.

Many travelers come to the City in business-oriented groups, and the Mayor's Office must do better to connect them with the local business community. In addition, there is a great deal of interest in San Francisco because of our diverse population and our leadership in emerging technologies, and this interest leads to many visits by overseas media. The City should reach out to these visitors more effectively, as a way to keep San Francisco in view as a desirable location for business.

We should also promote business opportunities through relationships with our Asian and Latin American counterparts, such as sister cities, embassies, consulates, local ethnic communities and national Chambers of Commerce. In addition, the Mayor needs to travel periodically with representatives from different business and research sectors to build these relationships. The tourist industry sponsors promotional trips for the Mayor, and the same effort should be made for business. Finally, the City can partner with universities and nonprofit agencies, such as the Bay Area Economic Council, that focus on international affairs to assist our promotional efforts.

Everyone who goes out and represents the City—elected officials, real estate brokers, city workers, and others—must be well prepared and understand the strengths of San Francisco and the message we are trying to send: that San Francisco welcomes business. Neither of the recently launched resources for new businesses, SF Biz Info and SF Prospector, has been adequately explained to those who market our city. These programs need to be marketed more broadly if they are to be effective.

B. Leverage Existing Anchor Corporations and Institutions

Major corporations and institutions, such as UCSF, Working Assets and Charles Schwab not only provide local jobs, but they also serve as a catalyst for economic development and the growth of key industry sectors such as health care, bioscience and financial services. The next administration must use the presence of these institutions as a marketing tool to attract new business and investment.

C. Expand Sports & Recreational Business – Create a San Francisco Sports Authority

San Francisco is among the best places in the world for athletes to compete. With our year-round mild climate, our world-class athletic and recreational facilities and a healthy population that embraces sports and recreation, San Francisco is a highly desirable destination for sports tournaments and exhibitions at the state, national and international levels. Hosting these events brings hundreds—if not thousands—of athletes and their families and fans to our City. They stay in our hotel rooms, eat in our restaurants, visit our attractions and like so many visitors, leave their hearts here. Events like the X-Games, the Diamond Walnut Bowl at Pac Bell Park, the Escape from Alcatraz Triathlon and other privately funded sports events contribute to our economy and enhance our international profile as a great place for sport.

Currently, however, virtually every other major California city has a more aggressive and formalized effort to attract international and national amateur and professional sporting events to their cities. In the Bay Area, the San Jose Sports Authority regularly attracts NCAA, women's and national and international sport competitions to the South Bay. Oakland regularly hosts athletic and recreational events at the Arena, the Coliseum, Kaiser Auditorium and the facilities at the UC Berkeley. At the statewide level, the Sacramento Sports Commission, the City of Los Angeles and the City of San Diego are all currently outhustling San Francisco in this multi-million dollar specialized industry.

Our outstanding Convention & Visitors' Bureau, under the leadership of CEO John Marks, has done very well promoting tourism and attracting conventions to our City for years in the future,

even amidst a severe economic downturn. But the SFCVB is not and should not be exclusively focused on attracting sports and recreational events.

As Mayor, I will work with the Convention & Visitors' Bureau, our professional sports teams, colleges and the hospitality industry to create a San Francisco Sports Authority, a public-private partnership that will leverage San Francisco's outstanding athletic conditions and facilities to attract more national and international sports events and fans.

As a lifelong Giants and 49ers fan and a strong proponent of women's sports, I know San Francisco is among the best places on earth for athletic competition. In a Leal Administration, we'll bring more national and international amateur and professional sporting events to San Francisco to give our economy an economic and recreational boost.

D. Avoid "Buying" Jobs with Local Dollars, but Access State and Federal Resources

With our real estate values and talented workforce, San Francisco will never be the low-cost leader when it comes to business headquarters. Our values and sense of social justice, including paying a living wage and providing health care to workers, means we do not want companies looking for the largest handouts and the lowest expectations of civic responsibility. However, we currently have no strategy at all for attracting new corporate headquarters; no one in the City meets with interested companies, and we do not maintain contact with businesses considering locating here.

The Mayor's Office of Economic Development can and should play a key role in leveraging State and Federal funds, and one person in that office will be designated a lead grant writer and will also coordinate with other public and private agencies that need help with their own grant writing. Another step we can take is the expansion of San Francisco's Enterprise Development Zone—a designated area in which businesses qualify for reduced state payroll taxes—that is currently confined to the southeast section of San Francisco and should be expanded.

E. Develop a long-term strategic economic plan for San Francisco

We must think strategically and proactively about our economy. Early in my administration I will convene stakeholders—small and large business representatives, community groups, members of our academic and policy community, workforce training organizations—to help develop a long-term strategic plan to grow our economy and smooth the "boom and bust" cycles we have experienced in the last decades.

IV. EDUCATION AND JOB TRAINING

Job creation does not happen in a vacuum. A job is only created when a person with the right skills is found to fill the available position. The Mayor's Office must work harder to link people with opportunities, and part of creating opportunity for San Franciscans is preparing them to enter and thrive in the workforce. While there are many public and private organizations that teach job skills, we need to be sure those programs are training people for jobs that are going to be created here.

A. Focus Job Training on Industries with Job Growth

We will designate a staff person at the Mayor's Office of Economic Development to coordinate the City's workforce development programs and act as a liaison to the Workforce Investment Board and City College. That person will not only have a strong business orientation and understanding of upcoming jobs are entering the City, but he or she can work to bring jobs to the City that match the existing skills of our workers. Our workforce training system has lacked both business participation and also useful data about job markets. The City does not line up projected job growth data with training programs and job openings with job seekers, so we are not training people to fill the needs of our employers.

B. Use City College and Nonprofit Agencies to Coordinate Training

Our best source for job training is our City College system. Closer collaboration with community-based organizations and the business community will help City College programs better educate the San Francisco workforce. City College provides most of our education and training, serving over 100,000 students each year, including over 22,000 new immigrants, and offering over 100 degrees, certificates and short-term training programs in occupational and technical fields.^{iv} Industry advisory committees advise all vocational programs to ensure that curricula are up to date, and business partnerships keep doors open for student internships and employment opportunities. Nonprofit agencies also play a vital role in training San Francisco's workforce. According to research conducted by the Workforce Investment Board^v, nonprofits provide over 100 employment training programs, serving more than 9,000 clients each year. Vocation-specific programs train people to enter fields such as: construction, office administration, sales, service, health care, hospitality and information technology. Partnerships with nonprofit training organizations and City College offer the best of both worlds when nonprofits provide career guidance, job readiness and follow-up services to complement City College's skills training.^{vi} For example, recent immigrants may have skills from their home countries but lack the language skills and familiarity with U.S. business culture to transition smoothly. Non-profit training organizations can help people adjust more readily. To use our resources more efficiently, we must also help training organizations use up-to-date labor market data so that as a city, we are training people for jobs that will be available. Finally, my administration will seek to educate businesses on the benefits of hiring workers who complete job training programs.

C. Recognize that Workforce Training Begins with Education

Preparing our city's workforce begins with our youngest residents. An excellent preschoolcollege education lays an essential foundation for future learning and the acquisition of job skills. Our colleges and universities have a major role to play in helping students succeed, so we must prepare students to enroll in post-secondary educational programs. Both national and local labor trends indicate that job growth will be in areas that have traditionally required some college, such as education and healthcare, and jobs that have not traditionally required college, such as office work, have been "upskilled."^{vii} Further, a better school system encourages families to stay in San Francisco once they have children and removes a barrier from new families considering moving into the City. Investment in our preschool, primary and secondary schools is a

fundamental aspect of economic development, and I invite you to read my separate, detailed plan to improve our neighborhoods' schools at: <u>http://www.susanleal.com</u>.

D. Bringing People into the Workforce

During these times of economic transition, we must provide opportunities to every San Franciscan who wants to work. Disabled workers, given access to appropriate training and employment services, can play a vital role in San Francisco's economic recovery. My administration will target state and federal dollars to enhance vocational rehabilitation and job training activities that will increase the capacity of disabled workers to pursue and maintain meaningful employment at a living wage.

VI. THE ROLE OF CAPITAL PROJECTS

Capital improvement projects play a major role in the development of our City, but economic development is about much more than building. Major development projects should be held to a simple standard: <u>will the project make the City better able to create long-lasting, high quality</u> jobs that match our citizens' skills? Projects under development that meet this test will be expedited and guided to completion with the full support of my administration. Examples of these projects, discussed in more detail below, are the Third Street Light Rail, the Mission Bay Life Sciences Campus, and the San Francisco Shopping Centre expansion.

The City should reject projects that do not address these needs. Economic development is not synonymous with "construction." Too often government leaders point to a building or project and say, "I did that," without worrying about whether the project meets long-term City needs. Four years from now, when you ask my administration what we built, we will point to newly trained workers getting their first paychecks, the "Grand Opening" sign at a new restaurant, the expansion of a mid-sized biotech company and children playing on a refurbished neighborhood playground.

A. Third Street Light Rail/Central Subway Extension

The extension of Muni to Bayview/Hunter's Point and the Central/Chinatown Subway Extension not only provide a whole section of the City with improved transit to downtown and other areas of the city, they can be a catalyst for small business creation. However, so far, the Third Street project has failed to provide local residents with promised employment opportunities or an improved merchant corridor. The Mayor's Office must hold City departments and their contractors accountable for meeting local hiring goals and ensure that capital projects benefit local residents. In addition to steering these projects towards an on-time completion, my administration will provide small business loans to new and existing locally owned businesses that hire local residents.

B. Mission Bay Life Science Campus

The Mission Bay South Redevelopment Plan contains residential, hotel, commercial industrial, commercial industrial/retail, a University of California, San Francisco campus and open space districts. The commercial industrial, commercial industrial/retail, and UCSF districts allow

activities that encompass bioscience operations, and, as I described above, we must ensure that these areas are occupied. The Board of Supervisors recently passed a resolution sponsored by Supervisor Sophie Maxwell to establish a Biosciences Task Force, which will make policy recommendations regarding regulatory and quality of life issues associated with the growth of the biosciences industry in San Francisco. City College, in conjunction with nonprofit training organizations, has developed a curriculum to prepare local residents for jobs in bioscience companies, and I will continue to strongly support these efforts.

C. Bloomingdale's Expansion

The expansion of the San Francisco Shopping Centre near Union Square will draw shoppers from around the Bay Area, providing much needed sales tax revenue and an estimated 1,900 permanent jobs and 1,000 construction jobs. It is important for San Francisco to maintain its position as the shopping and entertainment destination of choice for people throughout the Bay Area. The project also supports the job security of associated restaurant workers and other nearby retailers, whose sales will increase with the expanded traffic to the area. San Francisco creates wealth for its people when we sell more goods to the outside world. The outside world begins with the other eight Bay Area counties, and we need to continue to win a large share of their shopping and entertainment dollars.

D. Arts Projects

The arts in San Francisco also have a great impact on our economy as a source of jobs for residents. Not only do the large arts institutions employ people, but all kinds of artists work and teach here as well, and the City must support this community better. The Mayor's Office of Economic Development will collaborate with the nonprofit liaison (please see my nonprofit plan at <u>www.susanleal.com</u> for more information), the Convention and Visitors Bureau and other organizations to promote our arts organizations. For example, the City website should have attractively displayed and weekly-updated information about performances, exhibit and walking tours. Investments in the arts and cultural programs provide vibrancy to this city. Cultural and artistic programs, places, and events are one of San Francisco's great amenities, improving the quality of life. Being seen as a center of culture also enhances tourism. The Visitors Bureau and local promoters should also work to attract more music and arts festivals to San Francisco.

Using New York and Boston as models, the City should create Culture Zones to rejuvenate vacant theater spaces and surrounding areas. Theater space that is currently vacant or underused could be opened to provide space for dance, music and theater organizations to perform and practice. For example, city and state governments can provide benefits to businesses and landlords to support the arts, including:

- Tax incentives for landlords who provide favorable rent to artists and nonprofit arts and cultural groups.
- Tax incentives for developers who include space for artists in new projects.
- Reduced energy costs for nonprofit arts groups.
- Job development assistance to help arts organizations in the zone access subsidized staffing and job training programs.

• Tax credits for individual and business contributors to arts institutions located within the zone.

San Francisco is fortunate to have a vibrant community of filmmakers. Not only do we have internationally known directors, producers and actors here, but also programs such as the Film Arts Foundation, the Lucas Film Center at the Presidio and the film program at San Francisco State University to nurture new filmmakers. We must support our local film community better, beginning by reinvigorating the Film Commission. This office could be a "one-stop shop" for film projects in San Francisco, assisting with permitting, police and union issues. The Commission can also play a key role in attracting projects and marketing the City to film companies. San Francisco is never going to be the cheapest place to make movies, but our views, our talent and a helpful Film Commission can make the City a preferable place to make movies.

CONCLUSION

My campaign for Mayor is built on making San Francisco a City of Opportunity—and that means creating economic opportunities for all San Franciscans. For too long, San Francisco has ridden the cycles of economic "boom" and "bust" at the expense of middle and low-income San Franciscans, working families and small businesses. As Mayor, reviving our local economy to create jobs and increase our tax base will be my top priority.

The initiatives of my *Building an Opportunity Economy* plan will harness the unlimited potential of our economic strengths – our people, our location, our innovation and our ideas – to create jobs, grow business and expand incomes and opportunities for San Franciscans across the economic spectrum.

¹Committee on Jobs, "San Francisco City and County Budget: Myths, Realities & Suggestions for the Future," May 29, 2003.

ⁱⁱKent Sims, "The Economic Impact of Small Business," September 2003.

ⁱⁱⁱ Human Rights Commission staff, by phone September 24, 2003.

^{iv}Workforce Investment San Francisco, "Research Brief: Overview of City College of San Francisco," June 2003.

^v "Building Tomorrow's Workforce: Community-based Adult Employment and Training Programs in San Francisco," Workforce Investment San Francisco, May 2002, p. 5.

^{vi} Ibid.

^{vii} Patte Barth, "A Common Core Curriculum For the New Century," Thinking K-16, the Education Trust, Winter 2003.